



Adopted	Rejected
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COMMITTEE REPORT

YES:	9
NO:	2

MR. SPEAKER:

Your Committee on Public Policy, to which was referred House Bill 1432, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

- 1 Page 3, line 33, delete "and".
- 2 Page 3, line 34, delete "the cleaning and sanitizing of".
- 3 Page 3, line 34, after "equipment" insert **"used in the**
- 4 **manufacturing process is easily cleanable as defined in 410**
- 5 **IAC 7-24-27(a), in such a way that it"**.
- 6 Page 3, line 36, delete "." and insert **"; and**
- 7 **(3) the cleaning and sanitizing of equipment is consistent with**
- 8 **the Indiana standards for public health and cleanliness that**
- 9 **apply to commercial kitchens in the state."**.
- 10 Page 3, line 37, delete "refillable and unsealed receptacles" and
- 11 insert **"any receptacle that contains e-liquid."**.
- 12 Page 3, delete lines 38 through 41.
- 13 Page 3, between lines 41 and 42, begin a new paragraph and insert:
- 14 **"Sec. 5.5. "Cooperative" means a group of people."**.

- 1 Page 4, between lines 1 and 2, begin a new paragraph and insert:
- 2 "Sec. 6.5. "Distributor" means a person who is licensed under
- 3 IC 6-7-2-8 that:
- 4 (1) distributes, sells, barter, or exchanges e-liquid in Indiana
- 5 to retail dealers for the purpose of resale; or
- 6 (2) purchases e-liquid directly from the manufacturer for the
- 7 purpose of resale."
- 8 Page 4, line 5, delete "two (2)" and insert "four (4)".
- 9 Page 4, line 8, delete "is".
- 10 Page 4, line 9, after "(1)" insert "is".
- 11 Page 4, line 11, delete "manufactured and sold in a refillable or
- 12 unsealed" and insert "specifically excludes substances contained in
- 13 non-refillable sealed cartridges of four (4) milliliters or less used in
- 14 e-cigarettes."
- 15 Page 4, delete line 12.
- 16 Page 4, line 28, delete "a:" and insert "both of the following:".
- 17 Page 4, line 29, after "(1)" insert "a".
- 18 Page 4, line 30, after "(2)" insert "a".
- 19 Page 4, line 32, after "person" insert "or cooperative, located
- 20 inside or outside of Indiana,".
- 21 Page 5, line 11, delete "and that:" and insert "who as of July 1,
- 22 2015:".
- 23 Page 5, line 27, delete "and charge fees".
- 24 Page 5, between lines 28 and 29, begin a new line block indented
- 25 and insert:
- 26 (4) To charge fees to cover the costs of administering this
- 27 article, but not to exceed the actual costs of the commission."
- 28 Page 5, line 29, delete "(4)" and insert "(5)".
- 29 Page 5, line 29, delete "take" and insert "audit".
- 30 Page 5, line 29, after "samples" insert "maintained by the
- 31 manufacturer".
- 32 Page 5, line 32, delete "(5)" and insert "(6)".
- 33 Page 5, between lines 35 and 36, begin a new line block indented
- 34 and insert:
- 35 "(7) To approve not less than three (3) different independent
- 36 testing laboratories to which a manufacturer may choose to
- 37 send any e-liquid sample for testing, at the manufacturer's
- 38 expense, as part of any audit, as directed by the commission."

- 1 Page 5, line 41, after "e-liquid" insert **"to retailers or distributors"**.
- 2 Page 6, delete lines 9 through 10, begin a new line double block
- 3 indented and insert:
- 4 **"(A) designed to include a clean room space where all**
- 5 **mixing, bottling, and packaging activities will occur; and"**.
- 6 Page 6, line 18, after "commission." insert **"The security firm shall**
- 7 **certify that the manufacturer meets all security requirements**
- 8 **found in section 6(10) through 6(15) of this chapter."**
- 9 Page 6, line 19, delete "Documentation" and insert **"Verified**
- 10 **documents satisfactory to the commission"**.
- 11 Page 6, line 23, delete "by:" and insert **"by both:"**.
- 12 Page 7, line 2, delete "gallons" and insert **"liters"**.
- 13 Page 7, line 12, after "premises" insert **"during normal business**
- 14 **hours"**.
- 15 Page 7, line 17, delete "five" and insert **"one"**.
- 16 Page 7, line 18, delete "(\$5,000)." and insert **"(\$1,000)."**.
- 17 Page 7, line 28, delete "gallons" and insert **"liters"**.
- 18 Page 7, between lines 37 and 38, begin a new line block indented
- 19 and insert:
- 20 **"(6) The security firm shall certify that the manufacturer**
- 21 **meets all security requirements found in section 6(10) through**
- 22 **6(15) of this chapter."**
- 23 Page 7, line 38, delete "(6)" and insert **"(7)"**.
- 24 Page 7, line 40, delete "(7)" and insert **"(8)"**.
- 25 Page 8, line 1, delete "(8)" and insert **"(9)"**.
- 26 Page 8, line 7, delete "(9)" and insert **"(10)"**.
- 27 Page 8, line 7, delete "one thousand" and insert **"five hundred"**.
- 28 Page 8, line 8, delete "(\$1,000)." and insert **"(\$500)."**.
- 29 Page 8, line 9, delete "(10)" and insert **"(11)"**.
- 30 Page 8, line 11, delete "confidential and not a public record under
- 31 IC 5-14-3-4." and insert **"confidential."**
- 32 Page 8, line 42, delete "comply with reasonable" and insert
- 33 **"conduct all mixing, bottling, and packaging activities in a clean**
- 34 **room."**
- 35 Page 9, delete lines 1 through 2.
- 36 Page 9, line 10, delete "manufacturer's security firm" and insert
- 37 **"manufacturer"**.

- 1 Page 9, line 10, delete "install" and insert **"have"**.
- 2 Page 9, line 13, delete "manufacturer's security firm" and insert
- 3 **"manufacturer"**.
- 4 Page 9, line 13, delete "install" and insert **"have"**.
- 5 Page 9, line 18, delete "with remote viewing".
- 6 Page 9, line 19, delete "capability in areas".
- 7 Page 9, between lines 24 and 25, begin a new line block indented
- 8 and insert:
- 9 **"(15) The manufacturer must store and maintain three (3) ten**
- 10 **(10) milliliter sample bottles from each production batch for**
- 11 **a period of not less than three (3) years in a secure, limited**
- 12 **access area with recorded video surveillance."**
- 13 Page 9, line 25, delete "(15)" and insert **"(16)"**.
- 14 Page 9, line 27, delete "(16)" and insert **"(17)"**.
- 15 Page 9, line 29, delete "(17)" and insert **"(18)"**.
- 16 Page 9, line 29, delete "must" and insert **"may"**.
- 17 Page 9, line 30, after "bottling process" insert **"or subcontract with**
- 18 **another manufacturer to perform these services. All**
- 19 **manufacturers must meet the requirements of this chapter"**.
- 20 Page 9, line 31, delete "(18)" and insert **"(19)"**.
- 21 Page 9, line 33, delete "moral turpitude or".
- 22 Page 10, line 23, delete "chapter." and insert **"chapter or any**
- 23 **ingredient specifically approved for inclusion in e-liquid by the**
- 24 **federal Food and Drug Administration."**
- 25 Page 10, between lines 27 and 28, begin a new paragraph and insert:
- 26 **"(c) All e-liquid retailers, distributors, and manufacturers who**
- 27 **mix, bottle, or sell in Indiana prior to July 1, 2015, shall have until**
- 28 **July 1, 2016, to:**
- 29 **(1) sell or remove from retail all inventory of e-liquid**
- 30 **manufactured prior to July 1, 2015; and**
- 31 **(2) acquire either a valid tobacco sales certificate issued by**
- 32 **the commission in accordance with IC 7.1-3-18.5-1, an e-liquid**

1 **manufacturing permit issued under IC 7.1-7-4-1, or a**
2 **distributor's license issued under IC 6-7-2-8."**

3 Page 12, line 41, after "person" insert "**or authorized distributor**".
 (Reference is to HB 1432 as introduced.)

and when so amended that said bill do pass.

Representative Dermody